

BEFORE THE DEPARTMENT OF INSURANCE  
STATE OF NEBRASKA

MAR 08 2010

**FILED**

STATE OF NEBRASKA	)	
DEPARTMENT OF INSURANCE,	)	
	)	CONSENT ORDER
PETITIONER,	)	
	)	CAUSE NO. C-1808
VS.	)	
	)	
STANDARD LIFE AND ACCIDENT	)	
INSURANCE COMPANY,	)	
	)	
RESPONDENT.	)	

In order to resolve this matter, the Nebraska Department of Insurance ("Department"), by and through its attorney, Janette L. Adair, and Standard Life and Accident Insurance Company ("Respondent"), mutually stipulate and agree as follows:

JURISDICTION

1. The Department has jurisdiction over the subject matter and Respondent pursuant to Neb. Rev. Stats. §§ 44-101.01, 44-135, 44-303 and 44-4047 et seq. (Reissue 2004). Said jurisdiction and control have been present at all times material hereto.

2. Department records indicate Respondent is an Oklahoma domiciled insurer holding a certificate of authority to engage in the business of insurance in the State of Nebraska. Respondent has recently redomesticated and is now a Texas domiciled insurer with the appropriate paperwork pending.

STIPULATIONS OF FACT

1. The Department initiated this administrative proceeding by filing a petition styled State of Nebraska Department of Insurance vs. Standard Life and Accident Insurance

Company, Cause Number C-1808 on January 25, 2010. A copy of the petition was served upon the Respondent by serving a copy upon Respondent's agent for service registered with the Department by certified mail, return receipt requested.

2. Petitioner alleges that Respondent violated Neb. Rev. Stat. § 44-354 (Reissue 2004) as a result of the following conduct:

- a. Respondent issued an insurance policy and a series of insurance certificates in Nebraska which charged consumers a \$75 application fee. The fee was not disclosed on the application, the policy, or the certificates. The fee was however disclosed in solicitation and quote sheets. Respondent considers the fee to be part of the premium and reports it for premium tax purposes.
- b. Since January 1, 2007, Respondent has issued 67 certificates in Nebraska that have this application fee associated with them.

3. Respondent was informed of its right to a public hearing. Respondent waives that right, and enter into this Consent Order freely and voluntarily. Respondent understands and acknowledges that by waiving its right to a public hearing, Respondent also waives its right to confrontation of witnesses, production of evidence, and judicial review.

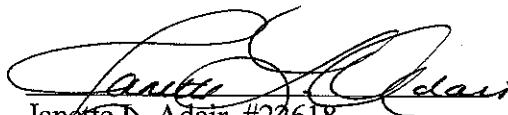
4. Respondent admits the facts stated in Paragraphs 2(a) and (b).

5. Respondent neither admits nor denies that such conduct may constitute a violation of Neb. Rev. Stat. § 44-354 (Reissue 2004). However, in order to resolve this matter, Respondent agrees to abide by the terms and stipulations of this consent order.

#### CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed by Respondent, Standard Life and Accident Insurance Company, that Respondent shall pay an administrative fine in the amount of four thousand seven hundred fifty dollars (\$4,750.00) due within 30 days after the Director of Insurance or her designee approves and signs this

consent order. In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing her signature below.



Janette D. Adair, #22618

Attorney for Petitioner

941 "O" Street, Suite 400

Lincoln, NE 68508

(402) 471-2201

3-8-10

Date

Standard Life and Accident Insurance Co.,  
Respondent

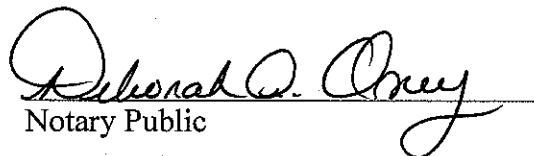
By:  V.P.

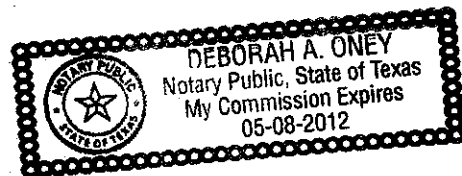
2/24/10

Date

State of Texas )  
County of Galveston ) ss.  
)

On this 24<sup>th</sup> day of Feb., 2010, James Stelling  
personally appeared before me on behalf of Standard Life and Accident Insurance  
Company and read this Consent Order, executed the same, and acknowledged the same to  
be their voluntary act and deed.

  
Notary Public



CERTIFICATE OF ADOPTION

I hereby certify that the foregoing Consent Order is adopted as the Final Order of the Nebraska Department of Insurance in the matter of State of Nebraska Department of Insurance v. Standard Life and Accident Insurance Company, Cause Number C-1808.

STATE OF NEBRASKA  
DEPARTMENT OF INSURANCE

Ann M Frohman  
ANN M. FROHMAN  
Director of Insurance

3-8-2010  
Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Consent Order was served upon Respondent by mailing a copy to Respondent's agent for service, Mark Flippin at One Moody Plaza, Galveston, TX 77550, by certified mail, return receipt requested, on this 8<sup>th</sup> day of March, 2010.

Gregory A. Glickman